

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**RE: PETITION OF THE CAPE LIGHT COMPACT  
FOR APPROVAL OF A MUNICIPAL AGGREGATION  
DEFAULT SERVICE PILOT PROJECT**

**DTE 01-\_\_\_\_\_**

**PETITION OF THE CAPE LIGHT COMPACT FOR APPROVAL OF  
A MUNICIPAL AGGREGATION DEFAULT SERVICE PILOT PROJECT**

**I. INTRODUCTION**

1. The Cape Light Compact (“Compact”) hereby submits a Plan for a Default Service Pilot Project (the “Pilot”) to provide electric power supply to approximately 42,000 Default Service customers within its twenty-one member communities to the Department of Telecommunications and Energy (“Department” or “DTE” ) for approval pursuant to Section 339 of the Electric Utility Restructuring Act of 1997.

2. Under Section 339, the Department has broad authority to establish pilot projects for municipal aggregators: “Notwithstanding any general or special law, rule, or regulation to the contrary, the department of telecommunications and energy and the division of energy resources shall establish a pilot program to implement the provisions of section 134 of chapter 164 of the General Laws.”

3. The Default Service Pilot Project Plan was developed in consultation with the Massachusetts Division of Energy Resources (“DOER”).

4. The Compact’s Aggregation Plan (the “Aggregation Plan”) was also developed in consultation with the DOER and following careful review and comment, received approval of the Department on August 10, 2000. (DTE 00-47.) The Pilot is based upon the approved

Aggregation Plan, represents an innovative and pragmatic first phase of implementation and is responsive to current market conditions.

5. The Department has noted its interest in addressing the potential merits of municipal aggregation for Default Service customers in DTE 01-54. (DTE 01-54, Issue Two, at Page 9.)

6. DOER has expressed support for establishment of such a Pilot for the benefit of Default Service customers and has stated that there is significant value in expanding the competitive retail market in the Commonwealth.

7. Market conditions are such that Default Service pricing has increased and wholesale market prices have changed to create a “cross-over point” in which savings from competitive power supply can be realized through municipal aggregation of Default Service customers.

8. The Compact is committed to working with NSTAR and a new supplier to assure that there is a smooth transition and protection for customers.

9. Establishing the Pilot is within the authority of DTE; will benefit Default Service consumers; will provide important information and experience for suppliers, local distribution companies, state policy makers and regulators, and communities interested in municipal aggregation; and meets the intent of the Electric Utility Restructuring Act of 1997.

## **II. OVERVIEW OF THE FILING**

10. The Compact is submitting the following documents with this Petition:

- a. Default Service Pilot Project Plan; and
- b. Cape Light Compact Aggregation Plan, as approved in DTE 00-47

(Attachment 1 to the Default Service Pilot Project Plan).

### **III. REQUESTED PROCEDURES TO REVIEW THE DEFAULT SERVICE PILOT PROJECT PLAN**

11. Time is of the essence in this matter, in order to ensure supplier scheduling of power supply. The Compact seeks approval from the Department on an expedited basis in order to move ahead with implementation of the Pilot. Consistent with the review procedure for the Aggregation Plan in DTE 00-47 in a non-adjudicatory proceeding and for the same basic reasons as set forth in “Compact Memorandum on Procedures to Review and Approve Aggregation Plan and Form of Electric Supply Agreement” (filed in DTE 00-47), the Compact requests a similar procedure to review the Pilot in this new docket.

12. Accordingly, the Compact requests notification to appropriate parties to DTE 00-47 by August 17, 2001, followed by a two week comment period running from August 20, 2001 through August 31, 2001, a one-week period running from September 1, 2001 to September 7, 2001 for the Compact to file reply comments, and a review and decision by the Department by October 15, 2001. The Compact’s proposed schedule is conditioned upon the submission to DTE and DOER of the power supply form of contract by October 10, 2001.

### **III. PRAYER FOR RELIEF**

13. Wherefore, the Compact respectfully requests that the Department approve this Petition and permit it to establish the Compact's municipal aggregation Default Service Pilot Project.

Respectfully submitted,

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